

## RULE

### Department of Health and Hospitals Office of the Secretary Bureau of Health Services Financing

#### Transplant Services.Reimbursement

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing has adopted the following rule under the Medical Assistance Program as authorized by R. S. 46:46:153 and pursuant Title XIX of the Social Security Act. This rule is in accordance with the Administrative Procedure Act, R. S. 49:950(B) et seq.

#### Rule

The Department Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing repeals the reimbursement provisions governing organ transplant services contained in the "Hospital Prospective Reimbursement Methodology" rule referenced in the June 20, 1994 *Louisiana Register* (Volume 20, Number 6) and adopts the following provisions to govern Medicaid reimbursement for non-experimental organ transplant services which are prior authorized by the Medicaid Program. Payment is allowable only in accordance with a per diem limitation established for inpatient discharges for organ transplant services reflected for a distinct carve out unit. Each type of organ transplant service must be reported as a separate distinct carve-out unit cost. Organ procurement costs shall be included in the distinct carve-out unit cost and shall be subject to the per diem limitation. The per diem limitation shall be calculated based on inpatient routine and ancillary costs for the transplant carve-out discharges derived from each hospital's base period. The base period is the first cost reporting period beginning with September 30, 1983 through August 31, 1984 in which an allowable transplant was performed on a Medicaid patient. The base period per diem costs for transplant distinct carve-out units shall be inflated annually using the target rate percentage increase for inpatient prospective payment systems (PPS) exempt hospitals' operating costs established by federal statute and published annually in the *Federal Register*. Reimbursement for transplant distinct carve-out unit services shall not exceed the per diem limitation and no incentive payment shall be allowed. The Tax Equity and Fiscal Responsibility Act (TEFRA) provisions governing exceptions and adjustments for inpatient hospital services shall also apply to the per diem limitation for the reimbursement of distinct carve-out units for organ transplant services. The Medicaid share of each transplant unit's costs subject to the per diem limitation shall be included in the total Medicaid reimbursement at the hospital's cost settlement at fiscal year end.

Bobby P. Jindal  
Secretary

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